

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re application of: ) Examiner: Yogesh E. Garg  
David Verchere )  
 ) Art Unit: 3625  
 )  
Application Serial No. 09/838,133 ) Confirmation No: 9529  
 )  
Filed: April 20, 2001 ) Attorney Docket No. 123041-175050  
 )  
For: METHOD AND SYSTEM FOR )  
CONFIGURATING PRODUCTS )  
 )  
 )

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Commissioner for Patents  
P.O. Box 1450  
Alexandria, Virginia 22313-1450

**DECLARATION OF DAVID VERCHERE UNDER 37 C.F.R. § 1.132**

I, David Verchere, hereby declare as follows:

1. I am the inventor of the subject matter described and claimed in the above-identified patent application.
2. I am a citizen of Canada and reside at 351 West 20th Street, Number 4, New York, New York 10011.
3. As the inventor of its subject matter, I am knowledgeable as to the specification of the above-identified patent application and the claims presently pending in the application. In preparation for making this declaration, I have reviewed the Office Action issued December 11, 2008 in which the Examiner entered a ground of rejection for claims 1-5, 7-15 and 17-20, rejecting them as being obvious over U.S. Patent 6,493,677 von Rosen et. al. (von Rosen patent)

in view of the teaching of a publication authored by Bittel, Lester Robert (Ed.), *Encyclopedia of Professional Management*, ISBN 0-07-005478-9, pp. 739 and 958 ("Bittel").

4. I have worked in the promotional products industry for twelve years, beginning in 1996 as a commission-based sales person. Over this time, I have gained extensive knowledge and expertise in the marketing and promotional products field from both on-the-job experience and from observing colleagues. As Chief Executive Officer of the Buttonwood Technology Group LLC, I work actively in the field of marketing and promotional products. In my capacity as Buttonwood CEO, I attend trade shows and business conferences in the field of marketing and promotional products and am quite familiar with many persons actively working in the field.

## **II. UNDERSTANDING OF THE LAW RELATING TO DEMONSTRATING THE COMMERCIAL SUCCESS OF A CLAIMED INVENTION**

5. I am informed and understand that when analyzing whether alleged prior art references render claims invalid as obvious, the PTO Examiner must consider objective indicia that would indicate the nonobviousness of the claimed inventions including, for example, the commercial success of the claimed inventions, whether the inventions filled a long-felt but unsolved need in the field, evidence of copying, and initial skepticism of others in the field, among other factors.

6. I am further informed and understand that, when measuring commercial success, one is not limited solely to end users' purchases or uses of the claimed invention. Instead, one can rely upon: (a) the industry's acceptance of the claimed invention, as shown by incorporation of the claimed invention into products made and sold by industry members; (b) growth in market share; and (c) replacement of earlier products. Moreover, I am informed and understand that when measuring commercial success of a claimed invention, I can consider the commercial success of the patentee's products, the patentee's licensee(s)' products, as well as infringers' products covered by the patent claims.

7. I am also informed that there must be a nexus between the claimed invention and the commercial success and such nexus must be due to the nature of the claimed invention, as opposed to other economic and commercial factors unrelated to the technical quality of the patented subject matter.

**III. THE CLAIMED INVENTION ENJOYS COMMERCIAL SUCCESS BECAUSE IT HAS BEEN ACCEPTED AND USED BY MANY INDUSTRY MEMBERS**

8. I know, from my own personal knowledge, of numerous examples of promotional product industry members who incorporated the claimed invention into their systems for branding promotional products.

9. For example, Pinnacle Promotions (*pinnaclepromotions.com*) uses the claimed invention to configure branded products for customers. As shown in the screenshot below, *pinnaclepromotions.com* uses a computer implemented method for configuring one or more products. This system is available to customers via an internet website. The Pinnacle Promotions website includes a graphical user interface (GUI) having representations of product parameter data.



10. A user wishing to create a request for a branded product can access the Pinnacle Promotions website via a personal computer connected to the internet. Once the user accesses the website, the user can designate features for the branded product by selecting product parameter data displayed by the GUI, and thereafter, the user can submit the features to a remote product and parameter identifying and pricing computer.

11. As shown in the screenshot below, the system associated with *pinnaclepromotions.com* separates products into, for example, at least one item parameter (desktop charging station) and one process parameter (deboss). The user can designate the features for the desired branded product by selecting the product parameter data, process parameter data, and artwork parameter data (displayed by the GUI). The user can then submit the selected parameters to the remote computer by clicking "next".

## Item Parameter Identified: Desktop Charging Station

### **Leeds Metropolitan Desktop Charging Station**

Item# - 1100-17

New Product 

Offer this desktop organizer as a welcome gift for new employees. The charging station is designed for storing devices such as cell phones, PDAs, and MP3 players. Features a built-in analog clock. Includes 1-piece gift box

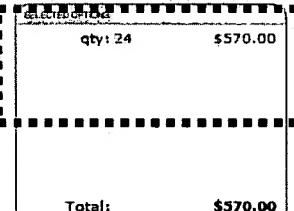
- Price includes one-color/one-location imprint.

 **LOWEST PRICE GUARANTEED!**

Qty	24+	100+	150+	250+	400+
Price (ea)	\$34.20	\$32.78	\$30.56	\$24.94	\$23.75
You Pay	<b>\$23.75</b>	<b>\$23.75</b>	<b>\$23.75</b>	<b>\$23.75</b>	<b>\$23.75</b>

### **RUSH PRODUCTION:**

**STANDARD** **24-HR RUSH**

 Step 2: Color

SELECT A COLOR  
Black

Total: **\$370.00**

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## Process Parameter Identified: Deboss

### **Leeds Metropolitan Desktop Charging Station**

Item# - 1100-17

New Product 

Offer this desktop organizer as a welcome gift for new employees. The charging station is designed for storing devices such as cell phones, PDAs, and MP3 players. Features a built-in analog clock. Includes 1-piece gift box

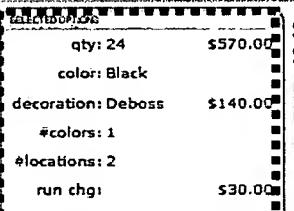
- Price includes one-color/one-location imprint.

 **LOWEST PRICE GUARANTEED!**

Qty	24+	100+	150+	250+	400+
Price (ea)	\$34.20	\$32.78	\$30.56	\$24.94	\$23.75
You Pay	<b>\$23.75</b>	<b>\$23.75</b>	<b>\$23.75</b>	<b>\$23.75</b>	<b>\$23.75</b>

### **RUSH PRODUCTION:**

**STANDARD** **24-HR RUSH**

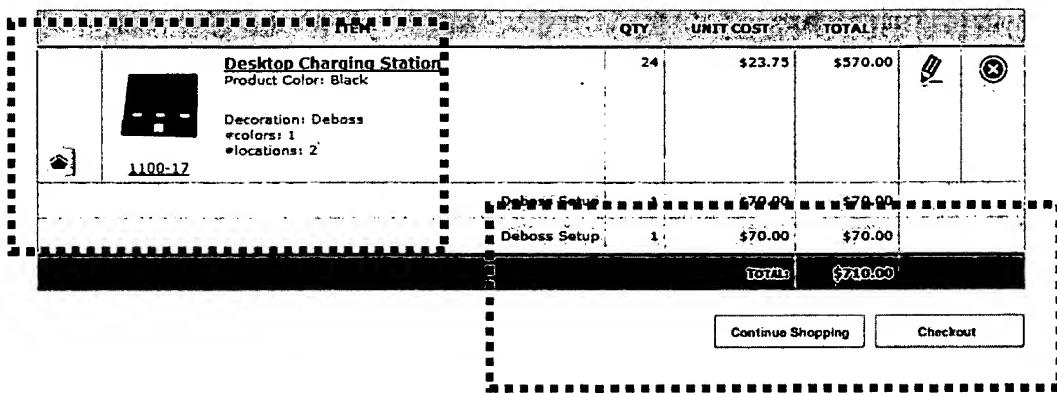
 Step 5: RocketShip™ Express Service

DO YOU NEED THIS ON RUSH?  
 none  24-Hour™

qty: 24 **\$570.00**  
color: Black  
decoration: Deboss **\$140.00**  
#colors: 1  
locations: 2  
run chg: **\$30.00**  
Total: **\$740.00**

**<< BACK** **NEXT >>**

12. Once the user selects the product, process, and artwork parameters, Pinnacle Promotions uses the remote computer to link the user-selected parameters as shown in the screenshot below. In this example, the website displays the linking of a desktop charging station (item parameter) with a deboss decoration (process parameter). The website also permits linking of artwork parameters. Then, the Pinnacle Promotions system uses a pricing algorithm to assign a price to the branded product. The price is displayed on the website.



The screenshot shows a shopping cart interface. At the top, there is a header with columns for ITEM, QTY, UNIT COST, and TOTAL. Below this, a table lists a product: "Desktop Charging Station" (Product Color: Black, Decoration: Deboss, colors: 1, locations: 2). The quantity is 24, unit cost is \$23.75, and total is \$570.00. To the right of the table are edit and delete icons. Below the table, there is a sub-table for "Deboss Setup" with a quantity of 1, unit cost of \$70.00, and total of \$70.00. At the bottom of the cart, there are "Continue Shopping" and "Checkout" buttons.

ITEM	QTY	UNIT COST	TOTAL
Desktop Charging Station Product Color: Black Decoration: Deboss colors: 1 locations: 2 1100-17	24	\$23.75	\$570.00
Deboss Setup	1	\$70.00	\$70.00

13. Another example of use of the invention is the Pinnacle Promotions system which creates a unique product identifier for the branded product (e.g., a SKU). The Pinnacle Promotions system thereafter identifies the product by the unique product identifier.

14. The "About Us" section of the *pinnaclepromotions.com* website attributes the company's success to the use of the system described above that incorporates the claimed invention.

According to the Pinnacle Promotions website, the system allows users to customize branded products more efficiently than an "online brochure." More specifically, the website states:

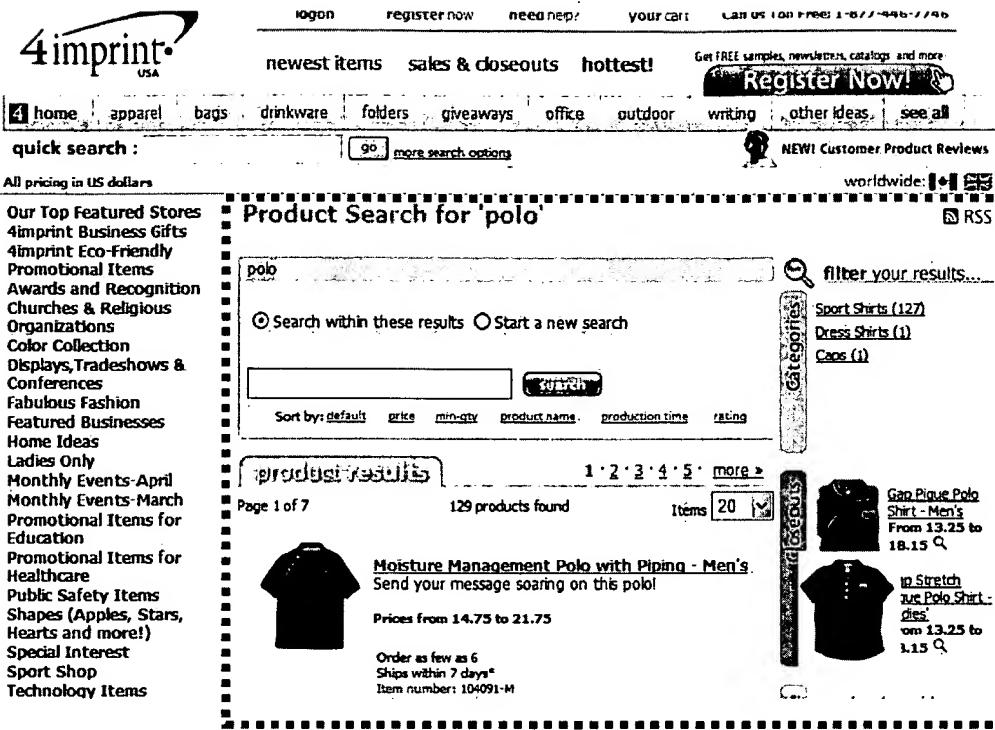
Not only was the Pinnacle approach different from the competition, but their dedication to technology also helped position the brothers to take advantage of the dot-com bubble burst in early 2000. "We saw the potential for using the web as more than just an online brochure from the beginning," says Dave. "From our internal systems to our website we have always been on the cutting edge of technology in this industry." These proprietary systems helped transform Pinnacle from a small, well-run family business into an industry powerhouse within a few short years. "We offer the best of both worlds to our clients," adds Dave. "Our online division helps the individual purchaser who is looking for an established company they can trust to bring them new and

**unique ideas quicker than they ever thought possible...while our Program Services department can help larger companies better manage their brands, handle their online stores and deal with the complicated issues facing large corporate purchasers."**

See <http://pinnaclepromotions.com/aboutus/story/> (emphasis added).

15. I understand from publicly available data that Pinnacle Promotions realizes annual revenue of approximately \$15MM per year. In my view, the majority of this revenue is attributable to the use of the claimed invention incorporated within the Pinnacle Promotions system discussed above. Accordingly, in my view, there is a nexus between the claimed invention and the commercial success of Pinnacle Promotions. Further, in light of my experience and expertise in the industry, my opinion is that such nexus must be due to the use of the claimed invention, as opposed to other economic and commercial factors.

16. Other market members have incorporated the claimed invention in their product promotion systems as well. As shown in the screenshot below, *4Imprint.com* incorporates the claimed invention into its promotional product branding system. *4imprint.com* uses a computer implemented method for configuring one or more products over a computer network. In particular, the *4Imprint.com* website is available to users via the Internet and permits users to select the features of a branded product. More specifically, the *4Imprint. com* website displays a graphical user interface (GUI) having representations of product parameter data.



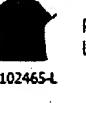
17. A user wishing to create a request for a branded product can access the *4Imprint.com* website via a personal computer connected to the internet. Once the user accesses the website, the user can designate features for the branded product by selecting product parameter data displayed by the GUI, and thereafter, submit the features to a remote product and parameter identifying and pricing computer.

18. In particular, as shown in the screenshot below, *4imprint.com* separates products into, for example, at least one item parameter (polo shirt) and one process (embroidery) parameter. The website further permits a user to select an artwork parameter. A user designates features for a branded product by selecting product parameter data displayed by the GUI and submits the features by clicking "update".

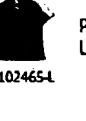
**Item Parameter Identified: Polo**

Items in your cart	Qty	Cost/Unit	Extras	Total	
 Performance Pique Color Block Polo - Ladies' #102465-L	33	\$18.56	\$91.00	\$703.48	<a href="#">Edit</a> <a href="#">Remove</a>
<b>Total</b>					<b>\$703.48</b>
<a href="#">Update</a> <a href="#">Empty Cart</a> <a href="#">Keep Shopping</a> <a href="#">Go to checkout</a>					

**Process Decoration Parameter Identified: Add'l tape charge, Emb. Run Charge**

Items in your cart	Qty	Cost/Unit	Extras	Total	
 Performance Pique Color Block Polo - Ladies' #102465-L	33	\$18.56	\$91.00	\$703.48	<a href="#">Edit</a> <a href="#">Remove</a>
Add'l Tape Charge	1	\$25.00	\$25.00		
Add'l Loc (0-12M) Embry Run Chg	33	\$2.00	\$66.00		
<b>Total</b>					<b>\$703.48</b>
<a href="#">Update</a> <a href="#">Empty Cart</a> <a href="#">Keep Shopping</a> <a href="#">Go to checkout</a>					

19. Thereafter, as shown in the screenshot below, the *4imprint.com* system links the selected item parameters, artwork parameters, and process parameters. Then, the system uses a pricing algorithm to assign a price to the branded product.

Items in your cart	Qty	Cost/Unit	Extras	Total	
 Performance Pique Color Block Polo - Ladies' #102465-L	33	\$18.56	\$91.00	\$703.48	<a href="#">Edit</a> <a href="#">Remove</a>
Add'l Tape Charge	1	\$25.00	\$25.00		
Add'l Loc (0-12M) Embry Run Chg	33	\$2.00	\$66.00		
<b>Total</b>					<b>\$703.48</b>
<a href="#">Update</a> <a href="#">Empty Cart</a> <a href="#">Keep Shopping</a> <a href="#">Go to checkout</a>					

20. The *4imprint.com* system also creates a unique product identifier for the branded product. Once the user completes the “checkout” process, the product is branded as requested, and is further identified by the product identifier.

21. The “About Us” section of the *4Imprint.com* website advertises that the system described above (incorporating the claimed invention) provides users an ordering experience that is “quick and easy,” (<https://www.4imprint.com/infopages/whybuyfromus.aspx>). I understand from publicly available information that *4imprint.com* realizes annual revenue of approximately \$130MM per year. In my opinion, the majority of this revenue is attributable to the use of the claimed invention incorporated within the *4Imprint.com* system discussed above. Accordingly, in my view, there is a nexus between the claimed invention and the commercial success of *4Imprint.com*, and in light of my industry experience and expertise, my opinion is that such nexus must be due to the use of the claimed invention, as opposed to other economic and commercial factors.

22. Furthermore, from a review of publicly available information, I understand that the product branding systems associated with at least the following websites also incorporate the claimed invention in substantially the same way as the Pinnacle Promotions and *4Imprint.com* systems discussed above:

[www.epromos.com](http://www.epromos.com)

[www.leaderpromos.com](http://www.leaderpromos.com)

[www.paragonpromotions.com](http://www.paragonpromotions.com)

[www.blueberryink.com](http://www.blueberryink.com)

[www.promosontime.com](http://www.promosontime.com)

[www.gopromos.com](http://www.gopromos.com)

[www.promopeddler.com](http://www.promopeddler.com)

[www.adleap.com](http://www.adleap.com)

[www.gimmees.com](http://www.gimmees.com)

[www.inkhead.com](http://www.inkhead.com)

[www.superiorpromos.com](http://www.superiorpromos.com)

[www.fortepromo.com](http://www.fortepromo.com)

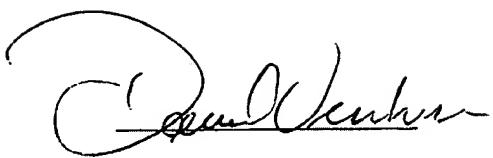
23. I understand from publicly available information that each of these market members realizes annual revenue in excess of \$5 MM per year. In my opinion, the majority of this revenue is attributable to the use of the claimed invention incorporated within the systems associated with these websites. For example, *Gimmees.com* advertises itself as “a leading online seller of custom imprinted promotional products...**Our comprehensive product search and intuitive ordering wizard enable customers to complete the promotional purchasing process online and in real-time!**” [http://www.gimmees.com/about\\_us.asp](http://www.gimmees.com/about_us.asp) (emphasis added). Likewise, Promos On-Time markets itself as “**an online leader** for selling promotional products. Customers ranging from fortune 500 companies to a couple just looking for gifts for their wedding have come to know us for our fast service, low prices and product knowledge,” [https://www.promosontime.com/page\\_200.htm](https://www.promosontime.com/page_200.htm) (emphasis added).

24. Accordingly, in my opinion, there is a nexus between the claimed invention and the commercial success of the systems associated with the websites listed above. Further, in light of my industry experience and expertise, such nexus must be due to the use of the claimed invention, as opposed to other economic and commercial factors.

24. In conclusion, in my opinion, the industry’s acceptance of the claimed invention, as shown by incorporation of the claimed invention into the systems used by the industry members discussed above, clearly demonstrates the commercial success of the claimed invention. This commercial success is objective indicia that would indicate the nonobviousness of the claimed invention.

March 10, 2009

Date



David Verchere